

Summary of the Thrift Savings Plan

Plan



Contribute



Invest

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The Thrift Savings Plan

The Thrift Savings Plan (TSP), is a retirement savings plan similar to 401(k) plans offered to private sector employees.

Eligibility

Your retirement system determines whether you can participate in the TSP. You're eligible to participate if you're in the following groups:

- a federal employee covered by the Federal Employees Retirement System (FERS)
- a federal employee covered by the Civil Service Retirement System (CSRS)
- a member of the uniformed services
- a civilian in certain other categories of federal service such as some congressional positions and some justices and judges

You can check with your personnel or benefits office if you're not sure which retirement system applies to you.

Your Retirement Savings

The purpose of the TSP is to give you a long-term retirement savings and investment plan. Saving for your retirement through the TSP provides many advantages, including the following:

- automatic payroll deductions
- a diversified choice of investment options, including professionally designed lifecycle funds
- a choice of tax treatments for your contributions:
 - traditional (pre-tax) contributions and tax-deferred investment earnings
 - Roth (after-tax) contributions with tax-free earnings at retirement if you satisfy the IRS requirements (see pages 6–9)
- low administrative and investment expenses
- agency/service contributions, if you are an employee covered by the Federal Employees Retirement System (FERS) or a member of the uniformed services covered by the Blended Retirement System (BRS)
- under certain circumstances, access to your money while you are still employed by the federal government

- a beneficiary participant account established for your spouse in the event of your death¹
- a variety of withdrawal options

The TSP is one part of your retirement benefit package. Depending on your retirement system, your benefit may also include Social Security, a FERS basic annuity, a CSRS annuity, military retired pay, or a combination of these.

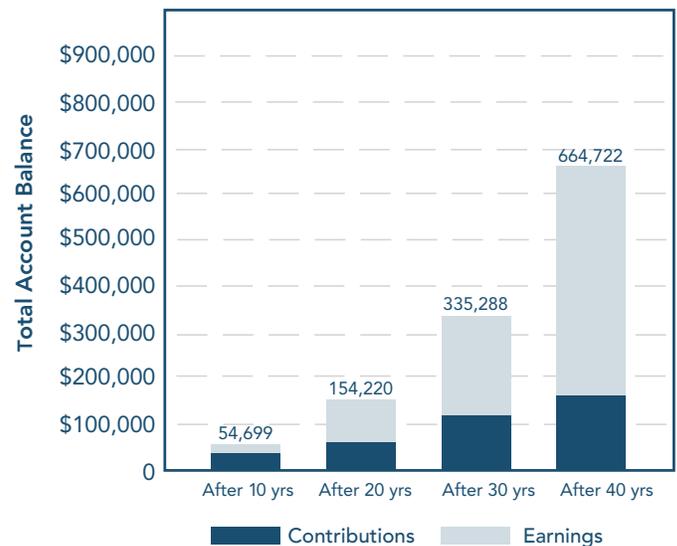
TSP benefits differ depending on your retirement system (FERS, CSRS, BRS, or non-BRS uniformed services).

Regardless of your retirement system, participating in the TSP can significantly increase your retirement income, but starting early is important. Contributing early gives the money in your account more time to increase in value through the compounding of earnings.

Calculators at tsp.gov to help you plan for your future:

How Much Should I Save?
How Much Will My Savings Grow?
Contribution Comparison Calculator

Earnings Potential of Your TSP Account



¹ For more information, see the TSP booklet *Your TSP Account: A Guide for Beneficiary Participants*.

Establishing Your TSP Account

The first contribution to the TSP—your own contribution or that of your agency or service—establishes your account.

If you're a FERS or CSRS employee or a BRS member who began or rejoined federal service after October 1, 2020, your agency or service automatically enrolled you in the TSP, and 5% of your basic salary is deducted from your paycheck every pay period and deposited into your TSP account², unless you made a contribution election to stop or change your contributions. If you're a BRS member who stopped your contributions during the year, you are automatically re-enrolled at 5% of your basic pay on January 1. If you're FERS or BRS, you also get contributions from your agency or service. See “Agency/Service Contributions for FERS and BRS Participants” on page 4.

If you're a FERS or CSRS employee or a BRS member who began or rejoined federal service between August 1, 2010, and September 30, 2020, you were automatically enrolled at 3%.

If you're a FERS employee hired before August 1, 2010, or a BRS “opt-in” member³ and are not

contributing your own money, you still have a TSP account with accruing Agency/Service Automatic (1%) Contributions. You have to make a contribution election through your agency or service to start contributing your own money to your account and to receive Agency/Service Matching Contributions. See “Agency/Service Contributions for FERS and BRS Participants” on page 4.

If you're not described in either of the previous paragraphs, then you have to make a TSP contribution election through your agency or service to establish a TSP account. You do not receive agency/service contributions.

The TSP Contribution Election

TSP contributions are payroll deductions. You have to make a contribution election through your agency or service to

- start your contributions if you were not automatically enrolled;
- increase or decrease your contributions if you were automatically enrolled;
- change the amount of your employee contributions or their tax treatment (traditional or Roth); or
- stop your contributions.

First, ask your personnel or benefits office whether your agency or service handles TSP enrollments through paper TSP forms OR electronically through automated systems such as Employee Express, EBIS, myPay, LiteBlue, or the NFC EPP.

² BRS members who began service on or after January 1, 2018, are not automatically enrolled until they have served for 60 days.

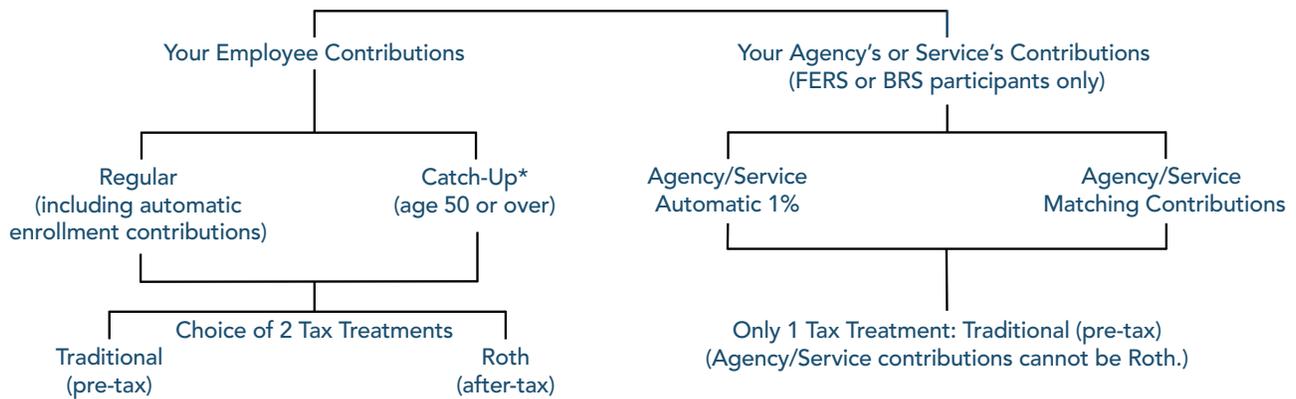
³ Members of the uniformed services who had served fewer than 12 years as of December 31, 2017, were given the option of joining BRS during calendar year 2018.

New Employee Checklist

1. Look for your TSP account number, web password, and ThriftLine Personal Identification Number (PIN) in the mail.
 - ◆ Account number + web password = create user ID for online account access
 - ◆ Account number + PIN = ThriftLine (telephone) account access
2. Decide how you want contributions to your account to be invested, and access your account through the web or ThriftLine to do the following:
 - ◆ Make a “contribution allocation” to change the investment of future contributions to your account (page 14).
 - ◆ Make an “interfund transfer” to change the investment of money already in your account (page 14).
3. Think about whether you need to designate beneficiaries to receive your account in the event of your death (page 20).

TSP CONTRIBUTIONS

come from 2 sources:



* Separate catch-up elections are no longer required.

Next, tell your personnel or benefits office how much you want to contribute and the tax treatment of your contributions through the agency's or service's electronic system or by way of a TSP-1 or TSP-U-1 form. You can get copies of these forms from tsp.gov or from your agency or service. **Return the completed form to your agency or service, not to the TSP. Your agency/service needs your information to set up your payroll deductions.**

Your election should be effective no later than the first full pay period after your agency or service receives it.

Employee Contributions

In order to make contributions to your TSP account, you must be in pay status as a full-time or part-time employee of the federal government or member of the uniformed services.

You can choose between two tax treatments for your contributions:

- Traditional (pre-tax)
- Roth (after-tax)

See "A Choice of Tax Treatments" on page 6.

Regular employee contributions are payroll deductions that come out of your basic pay before taxes are withheld (traditional contributions) or after

taxes have been withheld (Roth contributions). Each pay period, your agency or service will deduct your contribution from your pay in the amount you choose (or the automatic enrollment amount of 5%) and send your contribution to the TSP. Your agency or service will continue to do this until you make a new TSP election to change your contribution or stop it, or until you reach the applicable Internal Revenue Code (IRC) contribution limit (pages 5 – 6). Check your earnings and leave statement to verify that the correct amount is coming out of your pay.

Special conditions for uniformed services members:

In addition to basic pay, you can also contribute from 1 to 100% of any incentive pay, special pay, or bonus pay—as long as you elect to contribute at least 1% from basic pay. Your total contributions from all types of pay must not exceed the applicable IRC contribution limit (see pages 5 – 6).

You can elect to contribute from incentive pay, special pay, or bonus pay, even if you are not currently receiving them. These contributions will be deducted when you receive any of these types of pay. If you are receiving tax-exempt pay (i.e., pay that is subject to the combat zone tax exclusion), your contributions from that pay will also be tax-exempt. (Earnings on tax-exempt contributions designated as traditional will be taxed at withdrawal. Earnings on tax-exempt contributions designated as Roth will be tax-free at withdrawal, provided you meet the requirements detailed on page 7.)

In the year you turn 50 or older, you become eligible to save even more by contributing toward the IRC catch-up limit (see pages 5 and 6). That means that if you meet the IRC elective deferral limit and keep saving, your contributions will automatically start counting toward the catch-up limit. (Separate catch-up elections are not required.) Your TSP election will stay in effect until you submit another election, or until you leave federal service or separate from the uniformed services.

Special conditions for uniformed services members:

You can't contribute toward the catch-up limit from incentive pay, special pay, or bonus pay. Also, if you enter a combat zone and receive tax-exempt pay, only Roth contributions toward the catch-up limit are allowed. The TSP cannot accept traditional tax-exempt contributions toward the catch-up limit.

Agency/Service Contributions for FERS and BRS Participants

As a FERS or BRS participant you receive Agency/Service Automatic (1%) and Matching Contributions on your own TSP contributions. These contributions don't increase the dollar amount of your pay for income tax or Social Security purposes, nor do they come out of your pay. They're an important employee benefit—a critical part of your retirement system—and they are deposited into your TSP account by your agency or service. It's important to understand how these contributions work and to maximize them for a comfortable retirement.

Agency/Service Automatic (1%) Contributions—equal to 1% of your basic pay—are deposited into your TSP account every pay period, beginning the first time you're paid. (**Exception:** BRS members who began service on or after January 1, 2018, do not receive these contributions until they have served 60 days.) Agency/Service Automatic (1%) Contributions are not taken out of your pay; your agency/service gives them to you. You don't have to contribute any money to your TSP account to receive these contributions, but they are subject to “vesting.”

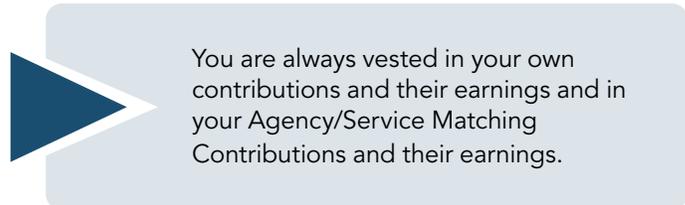
Being **vested** means that you're entitled to keep your Agency/Service Automatic (1%) Contributions (and their earnings) after you work in the federal government or uniformed services for a certain number of years. All years of service in a position eligible for the TSP count toward vesting, even if you don't contribute to the TSP during that time.

- Most FERS employees become vested in Agency Automatic (1%) Contributions after three years of federal civilian service.
- FERS employees in congressional and certain noncareer positions become vested in Agency Automatic (1%) Contributions after completing two years of federal civilian service.
- BRS participants become vested in Service Automatic (1%) Contributions after completing two years in the uniformed services.

Important: Civilian service does not count toward vesting in a uniformed services (BRS) account, and uniformed service does not count toward vesting in a civilian account.

The date your vesting period begins is determined by your TSP Service Computation Date (TSP-SCD) or your PEBD,⁴ which your agency or service reports to the TSP. Your SCD or PEBD appears along with other vesting information on your quarterly and annual TSP participant statements. The date will never be earlier than January 1, 1984.

If you leave government service before you satisfy the vesting requirement, your Agency/Service Automatic (1%) Contributions and their earnings must be forfeited. However, if you die before separating from service, you are automatically considered vested in all of the money in your account.



You are always vested in your own contributions and their earnings and in your Agency/Service Matching Contributions and their earnings.

⁴ For the Army, PEBD stands for “pay entry basic date.” The Navy and Marine Corps refer to this as the “pay entry base date,” while the Air Force calls it simply the “pay date.” The Department of Defense refers to it as the “basic pay date.”

Agency/Service Contributions to Your Account (FERS and BRS Participants Only)			
You put in:	Your agency/service puts in:		And the total contribution is:
	Automatic (1%) Contribution	Matching Contribution	
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%
More than 5%	1%	4%	Your contribution + 5%

Agency/Service Matching Contributions—If you’re a FERS or eligible BRS participant,⁵ you receive Agency/Service Matching Contributions on the first 5% of pay you contribute **every pay period**. The first 3% is matched dollar-for-dollar by your agency or service; the next 2% is matched at 50 cents on the dollar. This means that when you contribute 5% of your basic pay, your agency or service contributes an amount equal to 4% of your basic pay to your TSP account. Together with the Agency/Service Automatic (1%) Contribution you get, your agency/service puts in a total of 5%. Keep in mind, though, that if you stop your employee contributions, your Agency/Service Matching Contributions will also stop, but Agency/Service Automatic (1%) Contributions continue to go into your account. You can contribute more than 5%, but your agency/service only matches the first 5% you contribute.

CSRS and non-BRS participants do not receive matching contributions.

How Much You Can Contribute

The Internal Revenue Code (IRC) places a number of specific limits on the dollar amount of contributions you can make to the TSP.⁶ They are generally referred to as the “IRS limits” because the Internal Revenue Service (IRS) is responsible for calculating them each year. The annual limits can change and when they do, the TSP announces them on tsp.gov and the ThriftLine as well as through its various publications.

The **IRC elective deferral limit**, established under IRC section 402(g), is the maximum amount of employee contributions that you can contribute in a calendar year. The elective deferral limit applies to the combined total of your tax-deferred traditional contributions and your Roth contributions.

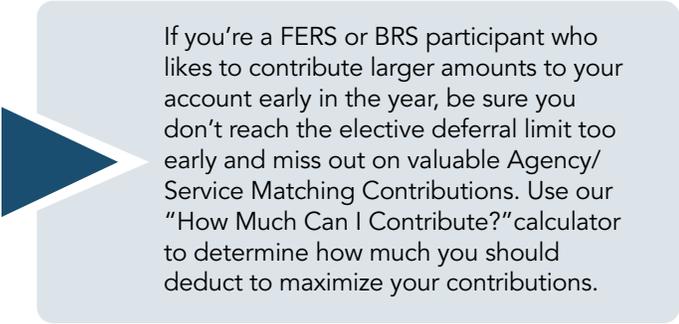
For members of the uniformed services, elective deferrals include all traditional and Roth contributions from taxable basic pay, incentive pay, special pay, and bonus pay. However, the elective deferral limit does **not** apply to traditional contributions made from tax-exempt pay earned in a combat zone. (If you are making tax-exempt Roth contributions and you reach the elective deferral limit, then you may only make tax-exempt traditional contributions for the rest of that year.) If you are a member of the uniformed services who is contributing to both a uniformed services and a civilian TSP account as a FERS employee, the elective deferral limit applies to

⁵ FERS participants and BRS participants who opted in receive matching contributions as soon as they contribute their own money. BRS participants who began service on or after January 1, 2018, begin receiving matching contributions after two years of service.

⁶ Territories of the United States are not subject to the contribution limits set by the IRC. If you are a resident of a U.S. territory, check with your Territorial Tax Authority to see what limits apply to your TSP contributions.

the total amount of tax-deferred traditional employee and Roth contributions you make in a calendar year.

Elective deferrals do not include Agency/Service Automatic (1%) or Agency/Service Matching Contributions.

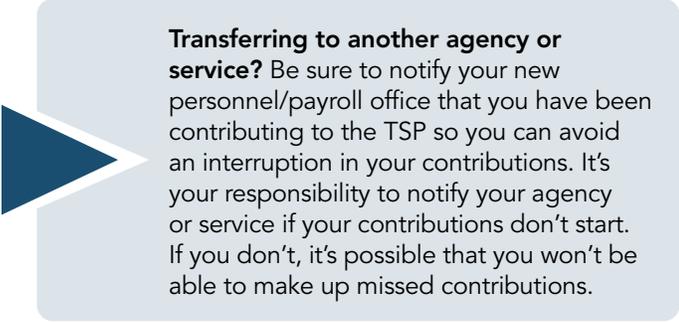


If you're a FERS or BRS participant who likes to contribute larger amounts to your account early in the year, be sure you don't reach the elective deferral limit too early and miss out on valuable Agency/Service Matching Contributions. Use our "How Much Can I Contribute?" calculator to determine how much you should deduct to maximize your contributions.

The IRC section 415(c) limit is an annual per-employer limit that the IRC imposes on the total amount of all contributions made on behalf of an employee to an eligible retirement plan in a calendar year. "All contributions" include employee contributions (tax-deferred, after-tax, and tax-exempt), Agency/Service Automatic (1%) Contributions, and Agency/Service Matching Contributions. (For 415(c) purposes, working for multiple federal agencies or services is considered having one employer.)

Members of the uniformed services should pay particular attention to this section 415(c) limit if they contribute from pay that is subject to the combat zone tax exclusion because section 415(c) limits the amount of tax-exempt pay a uniformed services participant may contribute.

The **catch-up contribution limit (IRC section 414(v))** is the maximum amount of additional employee contributions that can be contributed in a calendar year by participants turning age 50 or older. It is separate from both the elective deferral limit imposed on regular employee contributions and the IRC section 415(c) limit imposed on employee contributions (tax-deferred, after-tax, and tax-exempt), Agency/Service Automatic (1%) Contributions, and Agency/Service Matching Contributions.

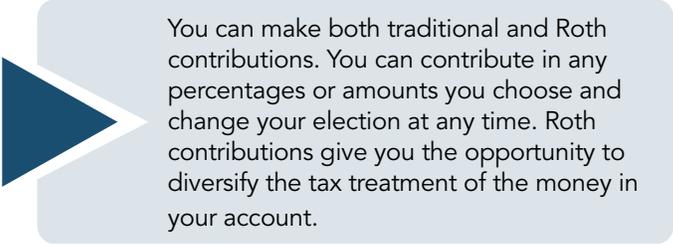


Transferring to another agency or service? Be sure to notify your new personnel/payroll office that you have been contributing to the TSP so you can avoid an interruption in your contributions. It's your responsibility to notify your agency or service if your contributions don't start. If you don't, it's possible that you won't be able to make up missed contributions.

A Choice of Tax Treatments

The TSP offers you two tax treatments for your employee contributions when you make a contribution election:

1. **Traditional TSP**—If you make **traditional contributions**, you defer paying taxes on your contributions and their earnings until you withdraw them. If you are a uniformed services member making tax-exempt contributions, your contributions will be tax-free; only your earnings will be subject to tax at withdrawal.
2. **Roth TSP**—If you make **Roth contributions**, you pay taxes on your contributions as you are making them (unless you are making tax-exempt contributions from combat pay) and get your earnings tax-free at withdrawal, as long as you meet the requirements to qualify.



You can make both traditional and Roth contributions. You can contribute in any percentages or amounts you choose and change your election at any time. Roth contributions give you the opportunity to diversify the tax treatment of the money in your account.

Contributions made through automatic enrollment are traditional. If you want to make Roth contributions, you have to submit a contribution election to tell your agency or service what portion of your contributions you want designated as Roth.

Traditional (pre-tax) contributions are taken out of your paycheck before your income is taxed. This lowers your current taxable income and gives you a tax break today. If you are a FERS or BRS participant, your agency's or service's contributions also go into your traditional balance. This money grows in your account tax-deferred, but when you withdraw your money, you pay taxes on both the contributions and their earnings.

Roth (after-tax) contributions are taken out of your paycheck after your income is taxed. When you withdraw funds from your Roth balance, you will receive your Roth contributions tax-free, since you already paid taxes on these contributions. In addition, you will not have to pay taxes on the earnings, **as long as 5 years have passed since January 1 of the calendar year when you made your first Roth TSP contribution**

Compare the Effects of Traditional and Roth Contributions

The Treatment of . . .	Traditional	Roth
Contributions	Pre-tax	After-tax
Your Paycheck	Taxes are deferred,* so less money is taken out of your paycheck.	Taxes are paid up front,* so more money comes out of your paycheck.
Transfers In	Transfers allowed from eligible employer plans and traditional IRAs	Transfers allowed from Roth 401(k)s, Roth 403(b)s, and Roth 457(b)s
Transfers Out	Transfers allowed to eligible employer plans, traditional IRAs, and Roth IRAs	Transfers allowed to Roth 401(k)s, Roth 403(b)s, Roth 457(b)s, and Roth IRAs
Withdrawals	Taxable when withdrawn	Tax-free earnings if 5 years have passed since January 1 of the year you made your first Roth contribution, AND you are age 59½ or older, permanently disabled, or deceased

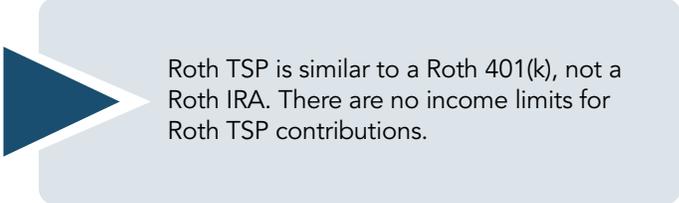
* If you are a member of the uniformed services receiving tax-exempt pay (i.e., pay that is subject to the combat zone tax exclusion), your contributions from that pay will also be tax-exempt.

(known as the 5-year rule) AND you are at least age 59½, permanently disabled, or deceased. If you satisfy these Internal Revenue Code (IRC) requirements, your earnings will be considered “**qualified,**” and you will not pay any taxes on them at withdrawal.

Note: We cannot certify to the IRS that you meet the IRC’s definition of disability when your taxes are reported. You must provide the justification to the IRS when you file your taxes.

Tax-exempt contributions are contributions uniformed services members may make while earning tax-exempt pay in a combat zone. If your tax-exempt contributions are designated as traditional contributions, you will pay no tax on the contributions, but your earnings will be taxed when withdrawn. If your contributions are designated as Roth, you will pay no taxes on your contributions, and their earnings will also be tax-free when withdrawn, as long as you meet the IRC requirements detailed in “Roth (after-tax) contributions” on this page. As a service member, you may not use tax-exempt pay to make traditional contributions toward the catch-up limit, but you may use it to make Roth contributions toward the catch-up limit.

Traditional and Roth balances. If you choose to make Roth contributions, your account will then be made up of two separate balances: traditional and Roth. These two “pots” of money will keep your contributions and any money you transfer into (or out of) your TSP account separate for tax purposes. Loans and interfund transfers you make will include a proportional amount from each balance (traditional and Roth). When you make withdrawals from your account, you can choose to withdraw from both balances proportionally, from your traditional balance only, or from your Roth balance only.



Roth TSP is similar to a Roth 401(k), not a Roth IRA. There are no income limits for Roth TSP contributions.

In the following sections, you will be able to compare the effects of traditional and Roth contributions on annual take-home pay and on account balance at withdrawal.

Traditional Contributions vs. Roth Contributions: An Example of the Effect on Your Current Income

The portion of your pay that you contribute to the **traditional** balance of your TSP account comes out of your pay **before** federal taxes are calculated. That's because, as explained earlier, you don't pay taxes on this income at the time of your contribution; you pay taxes on it when you withdraw it later. As a result, less of your pay is withheld from your check for taxes than would have been had you made no TSP contributions.

The portion of your pay that you contribute to the **Roth** balance of your TSP account comes out of your pay **after** federal taxes are calculated because you won't be taxed on those contributions when you withdraw them later. Therefore, we withhold the same amount for taxes as we would have if you had made no TSP contributions.

So an amount of money contributed to your traditional balance will result in a larger net check than the same amount of money contributed to your Roth balance.

Example:

Traditional TSP Savings	
Annual pay (gross)	\$40,000
Minus TSP contributions (5% of \$40,000)	<u>- 2,000</u>
Net taxable income	\$38,000
Minus estimated federal income tax	<u>- 2,926</u>
Net spendable income	\$35,074

Roth TSP Savings	
Annual pay (gross)	\$40,000
Minus estimated federal income tax	<u>- 3,166</u>
Net income after taxes	\$36,834
Minus TSP contributions (5% of \$40,000)	<u>- 2,000</u>
Net spendable income	\$34,834

Based on a participant filing "single" with the standard deduction.

The difference: If you made traditional pre-tax contributions, you would have \$240 more in your pocket in the current year than if you made Roth contributions.

Traditional Contributions vs. Roth Contributions: An Example of the Effect on Your Long-Term Savings

Choosing between traditional and Roth contributions comes down to whether you would be better off paying taxes on your contributions now or later; in other words, your marginal tax rate now versus your rate at retirement. Your personal situation will determine whether it is better to have the tax savings of traditional contributions now or the tax-free earnings of Roth contributions later.

To demonstrate this tax principle, suppose in one year you could afford to give up \$4,000 of your income for retirement savings in the TSP, and you are in the 22% tax bracket. You could put \$4,000 (traditional, pre-tax), or \$3,120 (Roth, after-tax) into your TSP account. (The \$4,000 that comes out of your paycheck to make Roth contributions equals \$3,120 in contributions plus \$880 in federal income taxes.) The chart below compares the value after 10 years (at 6% annual rate of return) of this one-year \$4,000 paycheck deduction after taxes, taking into consideration a lesser, equal, or greater marginal tax rate at retirement.

		Traditional (Pre-Tax)	Roth (After-Tax)
Pre-tax vs. After-tax contributions	22% tax rate	\$4,000	\$3,120
After-tax value if	12% tax rate	6,304	5,587
withdrawn	22% tax rate	5,587	5,587
in 10 years:	24% tax rate	5,444	5,587

Generally, traditional contributions are to your advantage if your tax rate will be lower in retirement. Roth contributions are to your advantage if your tax rate will be higher in retirement. If your income tax rate is the same in retirement as when you made the contributions, you'll end up with the same amount in your account whether you make Roth or traditional contributions.

The Contribution Comparison Calculator at tsp.gov allows you to input information about your own situation and compare the effects of making traditional and Roth contributions on your long-term savings (as well as your paycheck). Visit the Contribution Comparison Calculator to see whether making Roth contributions could be to your advantage. You should also consult a qualified tax advisor or financial advisor.



If you're a BRS member or a FERS employee in nonpay status who expects to return to a civilian job before the calendar year is out, remember that tax-exempt contributions to a Roth balance count against the IRC elective deferral limit, while those made to a traditional balance do not (see pages 5–6). If you reach the limit before the year is out, you will have to stop making TSP contributions, and you'll miss out on Agency/Service Matching Contributions. You need to weigh the tax advantages of Roth against the value of matching.

Remember to reassess your decision any time your tax, income, or personal situation changes.

Tax Liability

When you withdraw your money from the TSP, you will owe taxes on any traditional contributions (except contributions made from tax-exempt pay) and the earnings they have accrued. Depending on the type of withdrawal, you can continue to defer the taxes by transferring or rolling over your TSP payment to a traditional individual retirement account (IRA) or an eligible employer plan.⁷ You can also transfer or roll over your traditional funds to a Roth IRA, but you will have to pay taxes on the full amount in the year of the transfer.

You will not owe any taxes on Roth contributions you withdraw, and you will not owe taxes on their earnings if your withdrawal payment is a “qualified distribution.” In other words, if 5 years have passed since January 1 of the calendar year when you made your first Roth contribution **and** you have reached age 59½ or have a permanent disability, your Roth withdrawals will be paid out tax-free. If your earnings are not qualified, you can defer paying taxes on them in many cases by transferring your payment to a Roth IRA or Roth account maintained by an eligible employer plan.⁷

Retirement age and the penalty tax. If you receive a TSP withdrawal payment before you reach age 59½, you may have to pay a 10% early withdrawal penalty tax on any taxable part of the distribution not transferred or rolled over. This penalty tax is in addition to the regular income tax you owe, but there are exceptions. In general, if you leave federal service during or after the year you

reach age 55 (or the year you reach age 50 if you're a public safety employee⁸), the 10% penalty tax does not apply to any withdrawal you make that year or later.

There are other exceptions to the early withdrawal penalty tax. See the tax notice *Important Tax Information About Payments From Your TSP Account*, which is available at tsp.gov. The tax rules that apply to distributions from the TSP are complex, so you may also want to consult with a tax advisor or the IRS before you make any withdrawal decisions.

Retirement Savings Contributions Credit. You may be able to take a tax credit for your TSP contributions. The Retirement Savings Contribution Credit (or Saver's Credit) is designed to encourage low- and modest-income individuals to save for retirement. Eligibility depends on your adjusted gross income (AGI) and filing status. For more information, see your tax advisor or refer to IRS Form 8880.

Moving Money from Other Plans into the TSP

We **will accept** into the **traditional** balance of your TSP account both transfers and rollovers of tax-deferred money from traditional individual retirement accounts (IRAs), SIMPLE IRAs, and eligible employer plans.

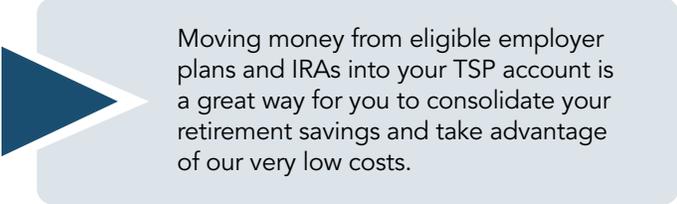
We **will accept** into the **Roth** balance of your TSP account transfers of qualified and nonqualified Roth distributions from Roth 401(k)s, Roth 403(b)s, and Roth 457(b)s. If you don't already have a Roth balance in your TSP account, the transfer will create one.

⁷ You cannot transfer or roll over installment payments that are based on life expectancy or expected to last 10 years or more. Nor can you transfer in-service financial hardship withdrawals.

⁸ The term “public safety employee” is defined in section 72(t)(10)(B)(ii) of the Internal Revenue Code. Consult your employing agency or service if you have questions about whether this applies to you.

We **will not accept** the following into your Roth balance:

- rollovers of Roth distributions that have already been paid to you
- transfers or rollovers from Roth IRAs



Moving money from eligible employer plans and IRAs into your TSP account is a great way for you to consolidate your retirement savings and take advantage of our very low costs.

There are two ways to move money into your TSP account:

1. **Transfer money directly to the TSP.** You can have your IRA or plan send all or part of the money directly to the TSP. This is called a “**transfer**” or “direct rollover.” Use Form TSP-60, *Request for a Transfer Into the TSP*, for tax-deferred amounts you want to transfer, and Form TSP-60-R for the transfer of Roth money. These forms are available at tsp.gov or from your agency or service.
2. **Roll over non-Roth money into the TSP.** You receive the money from your IRA or plan and put it into the TSP yourself using Form TSP-60. This is called a “**rollover**.” If you decide to do a rollover, you will have **60 days** to complete it, beginning on the date you receive the funds. You can roll over all or part of the money you receive. Your IRA or former plan will withhold the appropriate amount for taxes before it sends you the money. Keep in mind, then, that if you want to roll over the entire amount of the distribution, you will have to add in from your own funds the amount that was withheld for taxes. Any amount you don’t roll over will be subject to federal income tax. (We will not accept rollovers of Roth money.)

Your transfer or rollover will be invested in the TSP according to your latest contribution allocation (see page 14). The money you move into the TSP does not count toward the IRC contribution limits.

Conditions for the transfer. We will accept a transfer or rollover under the following conditions:

- The money must be considered an “eligible rollover distribution” for federal income tax purposes. (Verify this by checking with your tax advisor or the administrator of the IRA or plan from which you are moving the money.)

- You can transfer money into the TSP only if you have an existing TSP account.
- You cannot open a TSP account by transferring money into it. However, if you have an open TSP account, you can start a Roth balance with a transfer of Roth money, even if you have not elected Roth contributions.

Why transfer your money into the TSP? Transferring money into your TSP account allows you to consolidate your retirement savings in one place. This makes it easier to evaluate whether you are on target to reach your retirement savings goals, and to make sure the right asset allocation to meet these goals is applied to all your savings. Also, because of the TSP’s low costs, your savings can grow faster.

Investing in the TSP

We offer you two approaches to investing your money:

- **The L Funds**—These are “Lifecycle” funds that are invested according to a professionally designed mix of *stocks, bonds, and government securities*. You select your L Fund based on your “time horizon,” the future date at which you plan to start withdrawing your money. Depending upon your plans, this may be as soon as you leave or further in the future.
- **Individual Funds**—You make your own decisions about your investment mix by choosing from any or all of the individual TSP investment funds (G, F, C, S, and I Funds).

These investment options are designed so you can choose either the L Fund that is appropriate for your time horizon, or a combination of the individual TSP funds that will support your personal investment strategy. However, you may invest in any fund or combination of funds. Because the L Funds are already made up of the five individual funds, you will duplicate your investments if you invest simultaneously in an L Fund and the individual TSP funds.

Special note: If you are a civilian who was enrolled on or after September 5, 2015, or a BRS member of the uniformed services, then unless you choose another investment option, all contributions received by the TSP are deposited into the Lifecycle (L) Fund most appropriate for your age. If you were rehired after a break in service, a number of factors affect how your

contributions will be invested by default. It is especially important for you to review your statements to ensure your money is being invested the way you want it to be.

If you do not meet any of the descriptions in the previous paragraph, then until you make an investment election, all contributions to your account are deposited into the Government Securities Investment (G) Fund.

The L Funds

The L Funds are designed for participants who may not have the time or experience to manage their TSP retirement savings. The assumption underlying the L Funds is that the participants who won't need their money for quite a long time are able to tolerate more risk while seeking higher returns. The funds automatically adjust to reflect a reduced ability to tolerate risk as the need for income nears.

The optimal L Fund is the one that most closely matches your time horizon, that is, the year you expect to start withdrawing money from your TSP account.

If you are currently receiving income from your TSP account or plan to start withdrawing in the very near future, consider the L Income Fund. It is designed to focus primarily on preserving the assets in your account.

Each L Fund invests in a mix of the five individual TSP funds. The mix is chosen by experts based on each fund's time horizon. The L Funds' asset allocations are designed to achieve the highest expected rate of return for the amount of risk taken. If the time horizon is a long time from now, the L Fund will be more exposed to risky assets, such as stocks in the C, S, and I Funds. As time horizons shorten, allocations gradually shift toward less volatile government securities (G Fund).

Each L Fund is automatically rebalanced, generally each business day, to restore the fund to its intended investment mix. Each quarter, the funds' asset allocations are adjusted to slightly more conservative investments. When an L Fund reaches its designated time horizon, it will roll into the L Income Fund, and a new fund will be added with a more distant time horizon.

Investing in the L Funds does not eliminate risk, and the funds are not guaranteed against loss. The L Funds are subject to the risks inherent in the underlying funds and can have periods of gain and loss.

Detailed information about each L Fund is available at tsp.gov.

The Individual Funds

The TSP has five individual investment funds:

The Government Securities Investment (G) Fund—

The G Fund is invested in short-term U.S. Treasury securities. It gives you the opportunity to earn rates of interest similar to those of long-term government securities with no risk of loss of principal. Payment of principal and interest is guaranteed by the U.S. government. The interest paid by the G Fund securities is calculated monthly based on the market yields of all U.S. Treasury securities with more than 4 years to maturity; the interest rate changes monthly.

The Fixed Income Index Investment (F) Fund—

The F Fund is invested in a separate account that is managed to track the Bloomberg Barclays U.S. Aggregate Bond Index. This is a broad index representing the U.S. government, mortgage-backed, corporate, and foreign government (issued in the U.S.) sectors of the U.S. bond market. This fund offers you the opportunity to earn rates of return that exceed money market fund rates over the long term (particularly during periods of declining interest rates).

The Common Stock Index Investment (C) Fund—

The C Fund is invested in a separate account and tracks the Standard & Poor's 500 (S&P 500) Stock Index. This is a market index made up of the stocks of 500 large to medium-sized U.S. companies. It offers you the potential to earn the higher investment returns associated with equity investments.

The Small Capitalization Stock Index Investment (S) Fund—

The S Fund is invested in a stock index fund that tracks the Dow Jones U.S. Completion Total Stock Market (TSM) Index. This is a market index of small and medium-sized U.S. companies that are not included in the S&P 500 index. It offers you the opportunity to earn potentially higher investment returns that are associated with "small cap" investments, but with greater volatility.

International Stock Index Investment (I) Fund—

The I Fund is invested in a stock index fund that tracks the MSCI EAFE (Europe, Australasia, Far East) Index. This is a broad international market index, made up of primarily large companies in more than 20 developed countries. It gives you the opportunity to invest in international stock markets and to gain a global equity exposure in your portfolio.

The chart on page 13 compares these five funds and provides more information about each.

Because the TSP funds are trust funds that are regulated by the Office of the Comptroller of the Currency and not by the Securities and Exchange Commission (SEC), they do not have ticker symbols (i.e., unique identifiers assigned to securities (including mutual funds) registered with the SEC). You can, however, obtain additional information about the underlying indexes that certain TSP funds track:

TSP Fund	Index TSP Fund Tracks
F Fund	Bloomberg Barclays U.S. Aggregate Bond Index
C Fund	Standard & Poor's 500 Stock Index
S Fund	Dow Jones U.S. Completion Total Stock Market (TSM) Index
I Fund	MSCI EAFE Index

Fund Risks

There are various types of risk associated with the TSP funds. There is no risk of investment loss in the G Fund. However, investment losses can occur in the F, C, S, and I Funds. Because the L Funds are invested in the individual TSP funds, they are also subject to the risks to which those underlying funds are exposed. These risks include the following:

- **Credit risk**—The risk that a borrower will default on a scheduled payment of principal and/or interest. This risk is present in the F Fund.
- **Currency risk**—The risk that the value of a currency will rise or fall relative to the value of other currencies. Currency risk occurs with investments in the I Fund because of fluctuations in the value of the U.S. dollar in relation to the currencies of the countries in the EAFE index.
- **Inflation risk**—The risk that your investments will not grow enough to offset the effects of inflation. This risk is present in all five funds.
- **Market risk**—The risk of a decline in the market value of the stocks or bonds. This risk is present in the F, C, S, and I Funds.

- **Prepayment risk**—A risk associated with the mortgage-backed securities in the F Fund. During periods of declining interest rates, homeowners may refinance their high-rate mortgages and prepay the principal. The F Fund must reinvest the cash from these prepayments in current bonds with lower interest rates, which lowers the return of the fund.

Choosing Your Own Investment Mix

If you decide not to invest in the L Funds and you would rather choose your own investment mix from the G, F, C, S, and I Funds, remember that your investment allocation is one of the most important factors affecting the growth of your account. If you prefer this approach, keep the following points in mind:

Consider both risk and return. Over a long period of time, the F Fund (bonds) and the C, S, and I Funds (stocks) have higher potential returns than the G Fund (government securities). But stocks and bonds also carry the risk of investment losses, which the G Fund does not.

You need to be comfortable with the amount of risk you expect to take. Your investment comfort zone should allow you to use a long-term strategy so that you are not chasing market returns during upswings, or abandoning your investment strategy during downswings.

You can reduce your overall risk by diversifying your investments. The five individual TSP funds offer a broad range of investment options, including government securities, bonds, and domestic and foreign stocks. Generally, it's best not to put "all of your eggs in one basket."

The amount of risk you can sustain depends upon your investment time horizon. The more time you have before you need to withdraw your account, the more risk you may be able to take. (This is because early losses can be offset by later gains.)

Periodically review your investment choices. Check the distribution of your account balance among the funds to make sure that the mix you chose is still appropriate for your situation. If not, rebalance your account to get the allocation you want. You can rebalance your account by making an interfund transfer.

Comparison of the TSP Funds

The chart below provides a comparison of the available TSP funds. For **more detailed information** about each fund, see the **TSP Fund Information sheets** at tsp.gov.

	G Fund	F Fund*	C Fund*	S Fund*	I Fund*	L Funds**
Description of Investments	Government securities (specially issued to the TSP)	Government, corporate, and mortgage-backed bonds	Stocks of large and medium-sized U.S. companies	Stocks of small to medium-sized U.S. companies not included in the C Fund	International stocks of more than 20 developed countries	Invested in the G, F, C, S, and I Funds
Objective of Fund	Interest income without risk of loss of principal	To match the performance of the Bloomberg Barclays U.S. Aggregate Bond Index	To match the performance of the Standard & Poor's 500 (S&P 500) Stock Index	To match the performance of the Dow Jones U.S. Completion TSM Index	To match the performance of the MSCI EAFE (Europe, Australasia, Far East) Index	To provide professionally diversified portfolios based on various time horizons, using the G, F, C, S, and I Funds
Risk (See page 12)	Inflation risk	Market risk, credit risk, prepayment risk, inflation risk	Market risk, inflation risk	Market risk, inflation risk	Market risk, currency risk, inflation risk	Exposed to all of the types of risk to which the individual TSP funds are exposed—but <i>total</i> risk is reduced through diversification among the five individual funds
Volatility	Low	Low to moderate	Moderate	Moderate to high	Moderate to high	Asset allocation shifts as time horizon approaches to reduce volatility
Types of Earnings***	Interest	Change in market prices Interest	Change in market prices Dividends	Change in market prices Dividends	Change in market prices Change in relative value of currency Dividends	Composite of earnings in the underlying funds
Inception Date	April 1, 1987	Jan. 29, 1988	Jan. 29, 1988	May 1, 2001	May 1, 2001	August 1, 2005

* The F, C, S, and I Funds also have earnings from securities lending income and from temporary investments in G Fund securities. These amounts represent a very small portion of total earnings.

** Each of the L Funds is invested in the individual TSP funds (G, F, C, S, and I). The proportion of your L Fund balance invested in each of the individual TSP funds depends on the L Fund you choose.

*** Income from interest and dividends is included in the share price calculation. It is not paid directly to participants' accounts.

Contribution Allocations and Interfund Transfers

There are two types of investment transactions you can make:

- **Contribution allocation**
- **Interfund transfer**

Contribution allocations. A contribution allocation specifies how you want to invest new money **going into** your TSP account.

Your contribution allocation will apply to all future deposits to your account. These include employee contributions; agency/service contributions (if you are FERS or BRS); any special pay, incentive pay, or bonus pay that you contribute as a member of the uniformed services; any money you move into the TSP from other retirement plans; and any TSP loan payments. Your contribution allocation **will not** affect money that is already in your account.

Your contribution allocation will remain in effect until you submit a new one.

Interfund transfers. An interfund transfer moves the money **already in** your account among the TSP investment funds. When you make an interfund transfer, you choose the new percentage you want invested in each fund. You cannot move specific dollar amounts among the funds.

Also, you cannot move specific types of money among the funds. For example, if you have traditional (including tax-exempt) and Roth balances in your

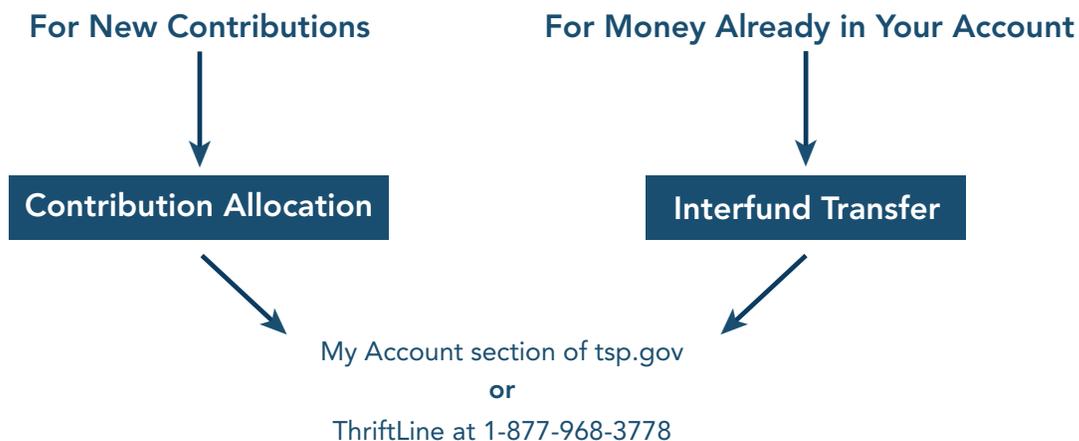
account, your interfund transfer will move a proportional amount from each type of money into the funds that you have specified.

Interfund transfers are limited. Each calendar month, your first two interfund transfers may be used to redistribute money in your account among any of the TSP funds. After the first two, your interfund transfers can only move money into the Government Securities Investment (G) Fund (in which case, you will increase the percentage of your account held in the G Fund by reducing the percentage held in one or more of the other TSP funds). If you have both a civilian and a uniformed services account, these rules apply to each account separately.

Making a contribution allocation or interfund transfer. You can make either of these transactions at tsp.gov or by calling the ThriftLine (using the automated system, or by speaking to a TSP Participant Service Representative).

To make a contribution allocation or interfund transfer online, you will need to log in to the My Account section of tsp.gov. To make a contribution allocation or interfund transfer on the ThriftLine, you will need your account number and your ThriftLine PIN (or press 3 to speak to a Participant Service Representative). Contribution allocations or interfund transfers made on tsp.gov or the ThriftLine before 12 noon eastern time are generally processed that business day. You will receive a confirmation of your transaction in the mail or by email if you used the website for your transaction and chose that option.

How to Make Investment Choices for Your Account



Administrative Expenses

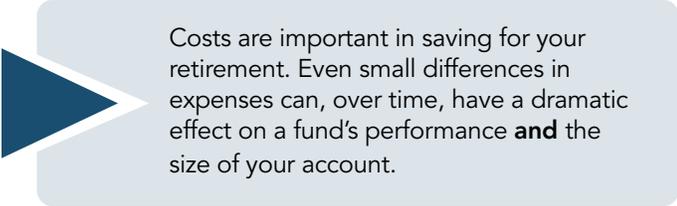
TSP expenses include the costs of operating the TSP's recordkeeping system; providing participant services; and printing and mailing notices, statements, and publications.

TSP expenses are lower than the industry average. These expenses are paid primarily from the forfeitures of Agency/Service Automatic (1%) Contributions of FERS and BRS participants who leave federal service before they are vested, other forfeitures, loan fees, and—because those forfeitures and fees are not sufficient to cover all of the TSP's expenses—earnings on participants' accounts.

The effect of administrative expenses (after forfeitures) on the earnings of the G, F, C, S, and I Funds is expressed as a net expense ratio for each fund. The expense ratio for each fund is calculated by dividing the total administrative expenses charged to that fund over a period of time by the fund's average balance during the same period.

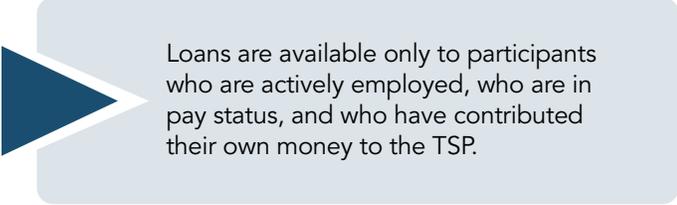
Since the L Funds do not have any unique administrative expenses, the L Funds do not have any additional charges. Therefore, the L Fund administrative expense ratios are weighted averages of the expense ratios of the G, F, C, S, and I Funds.

Your share of TSP net administrative expenses is based on the size of your account balance. For example, if the G Fund's net expense ratio is .040%, that means your earnings are reduced by 40 cents per \$1,000 of your G Fund balance. **You can find the current expense ratios for all of the TSP funds on [tsp.gov](https://www.tsp.gov).**



Costs are important in saving for your retirement. Even small differences in expenses can, over time, have a dramatic effect on a fund's performance **and** the size of your account.

TSP Loans



Loans are available only to participants who are actively employed, who are in pay status, and who have contributed their own money to the TSP.

When you take a loan, you are borrowing your own contributions and the earnings on those contributions. When your loan is approved, the amount of the loan is removed from your TSP account. As you repay your loan, your loan repayments restore the amount of your loan, plus the interest you pay to your account.

Cost of taking a loan. You repay your loan with interest. The interest rate is the interest rate for the G Fund at the time your loan application is processed.

We also charge a processing fee of \$50 for each loan. This fee is used to cover the cost of processing and servicing your loan. It is **deducted from the amount** of the loan that you receive.

Before you take a loan, consider that your loan costs are not limited to the interest and fee that you pay. The cost of a loan can be much more far reaching.

When you borrow from your account, you miss out on the earnings that might have accrued on the money you borrowed. Even though you must pay the money back to your account with interest, the interest you pay to your account may be less than what you might have earned if you had kept the money in the TSP. Further, if you have an outstanding loan when you leave federal service, you must pay it back within 90 days or the outstanding balance will be treated as taxable income.

Source of your loan. Any loan you take from your account will be paid proportionally from your traditional and Roth balances and from each TSP fund in which you have investments. (The same is true for tax-exempt contributions in your traditional balance if you are a member of the uniformed services.) You cannot request a loan from, for example, only the taxable portion of your traditional balance that is invested in the G Fund. If you have both traditional and Roth balances and you are invested in multiple TSP funds, both balances and all your fund investments will be impacted by your loan.

Types of loans. There are two types of TSP loans:

- A general purpose loan
- A loan for the purchase or construction of a primary residence

You can have only one general purpose and one residential loan outstanding at a time.

Loan amount. The total amount that you can borrow is limited to your own contributions and the earnings on those contributions. You cannot borrow less than \$1,000 or more than \$50,000. You can find out the amount you may be eligible to borrow from your TSP account by visiting tsp.gov or calling the ThriftLine. You can also use the Estimate Loan Payments calculator on tsp.gov to estimate your loan payment amount before you request a loan.

Documentation. You do not need to provide any type of documentation for a general purpose loan. However, you will need to provide documentation for a residential loan.

Waiting period between loans. You must wait 60 days from the time you pay off one loan until you are eligible to request another loan of the same type.

Repaying a loan. Loan repayments are made through payroll deductions. They are deducted from your pay each pay period in the amount to which you agreed. If your agency or service does not deduct your loan payment from your pay, **you must submit the loan payment directly to the TSP with Form TSP-26, TSP Loan Payment Coupon. You are responsible for your loan payments.**

You can also make additional payments or pay off your loan early by check or money order using the *Loan Payment Coupon*, available at tsp.gov. And you can reamortize your loan to change the amount of your payment, number of payments, or repayment period.

You must repay your general purpose loan within 5 years. Residential loans must be repaid within 15 years.

Consequences of failing to repay your loan. If you fail to repay your loan in accordance with your *Loan Agreement* (or your most recent reamortization), or you do not repay your loan when you separate from service, the TSP will report a taxable distribution to the IRS. You **will owe income taxes** on the taxable amount of the outstanding balance of the loan and possibly an early withdrawal penalty tax.

You **will not owe income taxes** on any part of your outstanding loan amount that consists of tax-exempt or Roth contributions. You **will owe taxes** on the earnings on tax-exempt contributions that were part of your traditional balance. The following conditions apply to Roth earnings:

- If the taxable distribution is declared because you separate from service, any **qualified Roth earnings**

will not be subject to tax. Roth earnings that are not qualified will be subject to tax.

- If the taxable distribution is declared for another reason (such as a default on your loan), your **Roth earnings will be taxed, even if they were already qualified** (or eligible to be paid out tax-free).

Note: If you have two TSP accounts and you want to combine your accounts, you must close any loan in the account you are moving before the accounts can be combined.



When you default on a TSP loan, you will owe taxes for that year on the taxable amount you did not repay, including all Roth earnings, even if you have already met the conditions necessary for your Roth earnings to be qualified. Paying taxes on qualified earnings means that you have to pay taxes today on an amount that you would otherwise be entitled to receive tax-free at retirement.

Spouses' rights. If you are a married FERS or uniformed services participant, your spouse must consent to your loan by signing the *Loan Agreement*. If you are a married CSRS participant, your spouse will be notified of your loan. These rules apply even if you are separated from your spouse.

There are exceptions to these rights, but they are rarely granted. See Form TSP-16, *Exception to Spousal Requirements* (U-16, uniformed services), for more information.

Bankruptcy and TSP loans. If you have a TSP loan, your payments must continue because, for bankruptcy purposes, a TSP loan is not a debt, and the TSP is not your creditor. Therefore, the bankruptcy court does not have jurisdiction over your TSP loan. For more information, see the TSP fact sheet *Bankruptcy Information*.

Getting information. For a detailed explanation of the TSP loan program, your obligations if you take a loan, and the consequences of not repaying a loan, read the TSP booklet *Loans*. For information about outstanding loans, you can check your earnings and leave statements, your participant statements, tsp.gov, or the ThriftLine.

Withdrawals

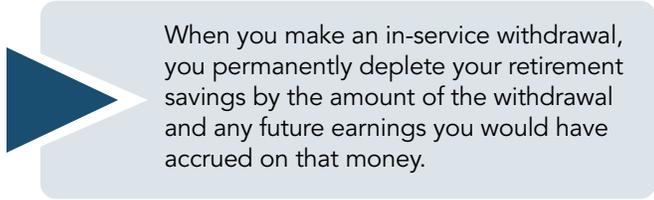
Because the purpose of the TSP is for you to save money for your retirement, there are rules that restrict when and how you may take money out of your account while you are still employed. Once you leave federal service, however, you have more withdrawal options.

Any withdrawal you take from your account will be paid proportionally from each TSP fund in which you have investments. The same is true for tax-exempt contributions in your traditional balance if you are a member of the uniformed services. You cannot request a withdrawal from, for example, only the taxable portion of your traditional balance that is invested in the G Fund. If you are invested in multiple TSP funds, all your fund investments will be impacted by your withdrawal.

By default, your withdrawal will also be taken proportionally from your traditional and Roth balances if you have both. However, unlike with loans, you may choose to receive your withdrawal from your traditional balance only or from your Roth balance only.

In-Service Withdrawals

In-service withdrawals (i.e., withdrawals from your account while you are still employed) are available to all active participants. We do not charge a fee for making an in-service withdrawal. However, the overall impact on your retirement savings may be significant.



When you make an in-service withdrawal, you permanently deplete your retirement savings by the amount of the withdrawal and any future earnings you would have accrued on that money.

You must pay federal, and in some cases, state income taxes on the taxable portion of the withdrawal, and you may also be subject to a 10% early withdrawal penalty tax.

Types of in-service withdrawals. There are two types of in-service withdrawals:

- A **financial hardship** in-service withdrawal
- An **age-based “59½”** in-service withdrawal

Financial hardship in-service withdrawal. You can make a financial hardship in-service withdrawal if you can certify, under penalty of perjury, that you have a financial hardship as a result of a recurring negative cash flow, legal expenses for separation or divorce, medical expenses, or a personal casualty loss. You may withdraw only your contributions and any earnings those contributions have accrued. You can request \$1,000 or more; however, the amount that you request cannot exceed the actual amount of your certified financial hardship.

Age-based “59½” in-service withdrawals. You can make age-based in-service withdrawals any time after you reach age 59½, as long as you are still a civilian federal employee or a member of the uniformed services. You may withdraw part or all of your vested account balance. You can request a dollar amount of \$1,000 or more, or you can withdraw your entire account balance, your entire traditional balance, or your entire Roth balance (even if the balance you choose is less than \$1,000). You are permitted to make up to four age-based in-service withdrawals per calendar year.

Spouses’ rights for in-service withdrawals. If you are a married FERS or uniformed services participant, your spouse must consent to your in-service withdrawal. If you are a married CSRS participant, we must notify your spouse before an in-service withdrawal can be made. These rules apply even if you are separated from your spouse.

There are exceptions to these rights, but they are rarely granted. For more information, see Form TSP-16, *Exception to Spousal Requirements* (TSP-U-16 for members of the uniformed services).

Getting information. For a detailed explanation of the TSP in-service withdrawal program, read the TSP booklet *In-Service Withdrawals*. For specific information about your in-service withdrawal request, check tsp.gov or call the ThriftLine.

Withdrawals after You Separate

If your vested account balance is \$200 or more after you leave federal service, you can leave your money in the TSP, or you can withdraw all or a portion of your account. If you leave your money in the TSP after you separate from service, be sure to keep your address up to date so that we can send you required information.

If your vested account balance is less than \$200 when you leave federal service, we will automatically send a check for the amount in your account to the address in your TSP account record. You cannot leave this money in the TSP or make any other withdrawal election.

Combining accounts. Some TSP participants may have two separate TSP accounts—a federal civilian account and a uniformed services account. If you are one of these participants and you separate from either federal civilian employment or the uniformed services, you may make post-separation withdrawals only from the TSP account related to the type of employment from which you have separated.

You will also have the option of combining your two accounts into one. However, you can only move the account related to your separation to your other TSP account. For example, if you are separated from the uniformed services, you can transfer your uniformed services account into your civilian account. If you have separated from both federal civilian employment and the uniformed services, you can choose which account you want to keep and combine the other one with it. If you have an outstanding loan from the account you are moving, you must close it before you can combine your accounts. To combine civilian and uniformed services TSP accounts, use Form TSP-65, *Request to Combine Civilian and Uniformed Services TSP Accounts*. This is only allowed up to the end of the calendar year before the year you turn 72.⁹

Note: If the traditional portion of your uniformed services TSP account includes a tax-exempt balance, you cannot transfer it into your civilian TSP account. Therefore, you will need to retain your uniformed services account to hold your tax-exempt money until you wish to withdraw it. It will continue to accrue tax-deferred earnings until then. Any tax-exempt money that was contributed to your Roth balance can be transferred into your civilian TSP account.

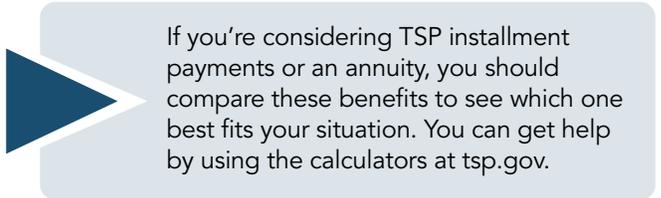
Types of post-separation withdrawals. There are three basic methods of withdrawing money from your TSP account as a separated participant: installment payments, single withdrawals, and annuity purchases. You can use one of these methods or any combination of them you choose.

TSP installment payments allow you to receive payments from your account monthly, quarterly

(every three months), or annually. Your payments will continue, unless you stop them, until your total account balance equals zero. **This is true even if you choose to have the payments come from your traditional balance first or from your Roth balance first.** When you run out of money in your chosen source (traditional or Roth), payments will continue from the source you didn't choose. You have the option of receiving a specific dollar amount in each payment (\$25 minimum) or having us calculate your payment based on life expectancy. After your installment payments are set up, **you can stop or make changes to them at any time.**

You can make a **single withdrawal** of any amount of \$1,000 or more.¹⁰ There is no limit on the number of single withdrawals you can make, but we will not process more than one in any 30-calendar-day period. You are allowed to take a single withdrawal of part of your account even if you're currently receiving installment payments or have previously made annuity purchases or other withdrawals.

An **annuity** pays a benefit to you (or to your survivor) every month for life. We purchase the annuity on your behalf from a private insurance company. You can have us purchase an annuity with all or any portion of your account balance. The minimum amount for purchasing an annuity is \$3,500. It applies to traditional money and Roth money separately. See the TSP fact sheet *Annuities* for more information. Once you purchase a life annuity, it cannot be revoked or changed.



If you're considering TSP installment payments or an annuity, you should compare these benefits to see which one best fits your situation. You can get help by using the calculators at [tsp.gov](https://www.tsp.gov).

Spouses' rights for withdrawals. If you are married (even if you are separated from your spouse), you are subject to certain spouses' rights requirements.

Note: The following requirements do not apply to total account withdrawals when your balance is \$3,500 or less. Beneficiary participant accounts are also excluded from these requirements.

- **If you are a married FERS or uniformed services participant,** your spouse is entitled by law to a joint life annuity with a 50% survivor benefit, level payments, and no cash refund

⁹ Before 2020, the deadline was age 70½. So if you were born before July 1, 1949, you can no longer combine accounts, even if you are not yet 72.

¹⁰ The \$1,000 minimum does not apply if you are withdrawing your entire balance, your entire traditional balance, or your entire Roth balance.

feature. If you choose any other withdrawal option, or any combination of options, your spouse must provide a signed, notarized consent and waive the right to the annuity with respect to the amount withdrawn for the withdrawal to be processed. This is also true if you request a change in the amount or frequency of installment payments since this could affect the amount available for an annuity.

- **If you are a married CSRS participant**, we must notify your spouse of your withdrawal. This is also true if you request a change in the amount or frequency of installment payments since this could affect the amount available for an annuity.

There are exceptions to these rights, but they are rarely granted. More information about exceptions is provided on Form TSP-16 (TSP-U-16 for members of the uniformed services), *Exception to Spousal Requirements*.

Getting information. For a detailed explanation of our post-separation withdrawal program, read the booklet *Withdrawing From Your TSP Account for Separated and Beneficiary Participants*. For specific information about your withdrawal request, check tsp.gov or call the ThriftLine.

Taxes on Withdrawals

You must pay income taxes on the taxable portion of withdrawals when they are paid directly to you. You will owe taxes on any portion of your withdrawal that comes out of your traditional balance (excluding tax-exempt contributions). You can retain the tax-deferred status of your traditional money by transferring it to a traditional IRA or eligible employer plan. (You can also transfer it to a Roth IRA, but you would have to pay taxes on the transfer in the year it is made.)

You will not pay income taxes on any portion of your withdrawal that comes from your Roth contributions, and you will only pay taxes on the earnings if they are not qualified (see “Tax Liability” on page 9). However, you can transfer Roth money to a Roth IRA or a Roth account maintained by an eligible employer plan.

You may be subject to an early withdrawal penalty tax if you make a withdrawal when you are younger than age 59½. For more detailed information about the tax rules, see the TSP tax notice *Important Tax Information About Payments From Your TSP Account*.

IRS Required Minimum Distributions

Once you've reached the age of 72 and are separated from federal service, you will be subject to the IRS required minimum distribution (RMD) rules.¹¹ These rules require you to receive a certain portion of your account each year based on your life expectancy. We will send you information about these rules if they apply to you. For more information, you can read the TSP tax notice *Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions*.



If you choose installment payments based on life expectancy, the total dollar amount of your payments for the year will approximate your RMD. If your installment payments are not sufficient to meet your RMD for the year, we will send you a supplemental payment.

Automatic Enrollment Refunds

If you were automatically enrolled in the TSP, you may request a refund of the **employee** contributions (plus earnings or minus losses) associated with the automatic enrollment period. If you make a contribution election to change your automatic contributions in any way, you are no longer in the automatic enrollment period, and you can therefore not request a refund of contributions you made after the change.

You must make your request within 90 days of your first automatic enrollment contribution. To determine your refund deadline date, you may contact us at 1-877-968-3778 and choose option 3 to speak to a Participant Service Representative.

You will receive a refund of your own employee contributions (and earnings). If you are FERS or BRS, you will forfeit all Agency/Service Matching Contributions to the TSP when your refund is processed; however, your Agency/Service Automatic (1%) Contributions will remain in your account. Read the instructions on Form TSP-25, *Automatic Enrollment Refund Request*, for more information. See tsp.gov for the form and additional information about automatic enrollment.

¹¹ RMD rules also apply to beneficiary participant accounts but with a different beginning date. For more information, see *Your TSP Account: A Guide for Beneficiary Participants*, which is available at tsp.gov.

Please note that requesting a refund of your automatic employee contributions will not **stop** your agency/ service from deducting future contributions from your pay each pay period. If you also want to stop your automatic contributions, you must make a contribution election (see page 2) to stop your contributions.

Special note for participants automatically enrolled more than once (i.e., separating and being rehired after a break in service of more than 30 days): Under rules mandated by the IRS, you are not given a new 90-day refund period unless one full calendar year (January through December) has passed since your last automatic enrollment contribution.

Special note for automatically enrolled BRS participants: If you were automatically enrolled and you have since stopped contributing to your TSP account, you will again be automatically enrolled in January. That is, if you were not contributing on December 31 of a given year, you will be reenrolled at the beginning of the new year. **Contributions automatically deducted as part of this reenrollment are not eligible to be refunded.** Your service must give you the opportunity to stop reenrollment before contributions are taken from your pay.

Death Benefits

If you die with a balance in your TSP account and you did not designate beneficiaries for that account, the account will be distributed according to the following order of precedence required by law:¹²

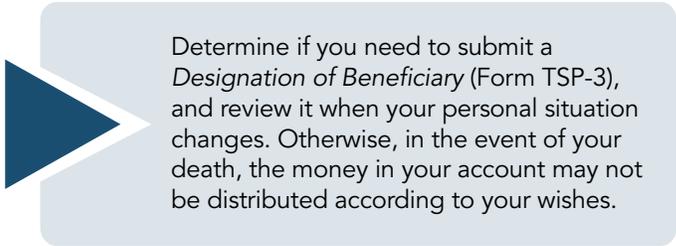
1. To your spouse
2. If none, to your child or children equally, with the share due any deceased child divided equally among that child's descendants
3. If none, to your parents equally or to your surviving parent
4. If none, to the appointed executor or administrator of your estate
5. If none, to your next of kin who is entitled to your estate under the laws of the state in which you resided at the time of your death

¹² **Exception:** If you separate from service and submit a request for an annuity and you die before annuity payments begin, the amount used to purchase the annuity will be returned to the TSP. We will, if possible, distribute this money consistent with your annuity beneficiary designation.

As used here, “child” means either a biological child or a child adopted by the participant. It does not include your stepchild unless you have adopted the child. Nor does it include your biological child if that child has been adopted by someone other than your spouse.

“Parents” does not include stepparents who have not adopted you.

Designating a beneficiary. If you wish, you can designate a person or persons, your estate, or a trust to receive your TSP account after your death. To designate a beneficiary or beneficiaries, you **must** use Form TSP-3, *Designation of Beneficiary*. **For us to honor it, a valid Form TSP-3 must be on file with us at the time of your death. We cannot honor a will or any other document.**



Determine if you need to submit a *Designation of Beneficiary* (Form TSP-3), and review it when your personal situation changes. Otherwise, in the event of your death, the money in your account may not be distributed according to your wishes.

Reviewing your beneficiaries. By law, we must pay your properly designated beneficiary under **all** circumstances. For example, if you designate your spouse as a beneficiary on Form TSP-3, a beneficiary participant account will be set up for that spouse after your death, even if you are separated. If you divorce (and even remarry) but you do not submit a new Form TSP-3, your TSP account will be paid to the individual designated on your form, even if this person had given up all rights to your TSP account. Consequently, if your life situation changes, you may want to file a new *Designation of Beneficiary* form that cancels or changes your current beneficiary designation.

TSP distribution of death benefits. In order for beneficiaries to receive your account balance after your death, they (or their representatives) must complete Form TSP-17, *Information Relating to Deceased Participant*, and send it to the TSP along with a copy of the certified death certificate.

Once we process this information and determine the beneficiaries for your account, we will contact them with additional information and instructions.

For detailed information about death benefits and the disbursement options for beneficiaries, read the TSP booklet *Death Benefits* and the TSP tax notice *Important Tax Information About Thrift Savings Plan Death Benefit Payments*.

Beneficiary Participant Accounts

In the event of your death, if your spouse is a beneficiary of your account and your spouse's share is \$200 or more, we will establish a beneficiary participant account in your spouse's name. Any death benefit processed from your account for your spouse will be deposited into this TSP account and invested in the Lifecycle (L) Fund most appropriate for your spouse's age. Your spouse can leave the money in the TSP and manage the investments in the TSP's funds; combine the account with his or her own TSP account, if applicable; or withdraw the money using any of the TSP post-separation withdrawal options described on page 18.

For more information, see *Your TSP Account: A Guide for Beneficiary Participants*, which is available at tsp.gov.

Other Information About the TSP

TSP Website (tsp.gov)

The TSP website has current TSP information and materials (e.g., rates of return, share prices, and calculators). You can also log in to the My Account section of tsp.gov to view personal account information and perform transactions.

ThriftLine (1-877-968-3778)

The toll-free ThriftLine is our automated telephone service. It has information such as plan news, share prices, and loan and annuity rates. You can opt to speak with a Participant Service Representative or you can use your TSP account number and ThriftLine PIN to access your account and perform certain transactions.

Managing Your Account

We provide you with a TSP account number that is unique to you. You'll create a user ID to use instead of your account number when you log in to My Account. We also provide you with a customizable web password and ThriftLine PIN. It's important that you do your part to protect your account by keeping this information

secure. Do not reveal your login details to anyone or store them where anyone can find them.

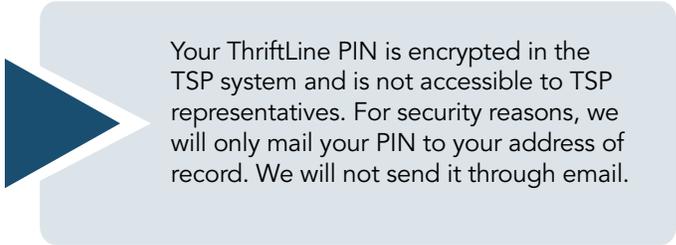
TSP account number. We provide you with a 13-digit account number to identify your account. Like a bank or credit union account number, your TSP account number cannot be changed. If you forget it, you can use the TSP website or the ThriftLine to request to have it mailed to you. You can also find your account number on your quarterly and annual participant statements.

User ID. You must create a user ID to log in to My Account on tsp.gov. Once you have established your user ID, you can change it whenever you wish in My Account. If you forget your user ID, you may be able to retrieve it on tsp.gov, or you can call the ThriftLine.

If you have both a civilian and a uniformed services account, your user ID will be the same for both accounts.

Web password. As soon as your account is established, we mail you a web password you can use to log in to My Account on tsp.gov. When you log in to your account for the first time using this password, you will be prompted to change it. If you forget or lose your TSP account password, you may be able to reset it on tsp.gov, or you can call the ThriftLine.

ThriftLine Personal Identification Number (PIN). As soon as your account is established, we mail you a PIN to use with your TSP account number to access account information and perform certain transactions on the ThriftLine. You can change your PIN at any time on the ThriftLine. If you forget your PIN, you can request a new one on the ThriftLine. **Note:** Your ThriftLine PIN is not the same as your PINs for other agency or service systems (e.g., Employee Express, EBIS, LiteBlue, myPay, or NFC PPS).



Your ThriftLine PIN is encrypted in the TSP system and is not accessible to TSP representatives. For security reasons, we will only mail your PIN to your address of record. We will not send it through email.

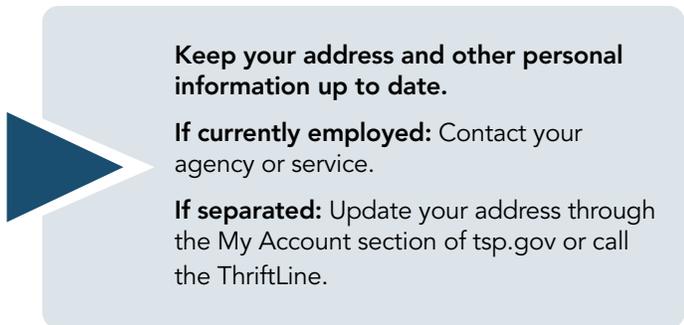
Participant Statements

We issue quarterly and annual participant statements. Your quarterly statements cover all transactions in your account since the previous statement. If you have any TSP loans, the statement also summarizes your loan

activity. You can view or print these statements at tsp.gov or request to have them mailed to you.

Your annual statement summarizes the financial activity in your account for that year and provides other important information such as your personal investment performance. We post this statement in the My Account section of tsp.gov and, unless you request only electronic annual statements, also mail it to you.

Check your statements carefully, and, if you see any information you believe is not correct, follow up with your agency or service or the TSP.



Keep your address and other personal information up to date.

If currently employed: Contact your agency or service.

If separated: Update your address through the My Account section of tsp.gov or call the ThriftLine.

Court Orders and Legal Processes

Your TSP account can be divided in an action for divorce, annulment, or legal separation, or garnished to satisfy a legal process associated with past-due alimony, child support obligation, IRS tax levy, or victims restitution pursuant to the Mandatory Victims Restitution Act (MVRA). For more details, read the TSP booklet *Court Orders and Powers of Attorney* and the TSP tax notice *Tax Treatment of Thrift Savings Plan Payments Made Under Qualifying Orders*.

TSP Administration

Management. The Federal Retirement Thrift Investment Board (Agency) is an independent government agency that administers the TSP. It is managed by a presidentially appointed five-member Board and an Executive Director chosen by the Board.

The Agency's recordkeeper handles the day-to-day maintenance and administration of all TSP accounts and assists participants with specific types of TSP-related problems or questions.

Law. The TSP is established under the Federal Employees' Retirement System Act of 1986 and is codified primarily under Chapter 84 of title 5, United States Code (USC). By law, the assets in the TSP are held in trust for each individual participant. The TSP is treated as a qualified trust that is exempt from taxation (see 26 USC § 7701(j)). Its regulations are published in Chapter VI of title 5 of the Code of Federal Regulations.

Audits. By law, the TSP must be audited annually. You can obtain a copy of the most current audited financial statement from frtib.gov or by writing to the TSP.

Glossary of Terms

Account Balance—The sum of the dollar amounts in each TSP investment fund for an individual account. The dollar amount in each investment fund on a given day is the product of the total number of shares in that fund multiplied by the share price for that fund on that day.

Account Number—The 13-digit number that the TSP assigns to a participant to identify his or her TSP account.

Agency/Service Automatic (1%) Contributions—Contributions equal to 1% of basic pay each pay period, contributed to a FERS or BRS participant's TSP account by his or her agency or service. CSRS employees and non-BRS members of the uniformed services do not receive automatic contributions.

Agency/Service Matching Contributions—Contributions made by agencies and services to TSP accounts of FERS and BRS participants who contribute their own money to the TSP. CSRS employees and non-BRS members of the uniformed services do not receive automatic contributions.

Annual Addition (Section 415(c)) Limit—An annual dollar limit, established under Internal Revenue Code (IRC) section 415(c), that limits the amount of money that can be contributed to employer-sponsored plans like the TSP. This limit is per employer and includes all employee and agency contributions. For 415(c) purposes, working for multiple federal agencies or services in the same year is considered having one employer.

Annuity—Guaranteed monthly income for the life of the TSP participant (or survivor if a joint annuity) after separating from federal service. These payments are issued directly by the TSP annuity provider.

Automatic Enrollment—The policy that requires agencies and services to enroll into the TSP all FERS and CSRS employees hired or rehired after July 31, 2010, and all uniformed services members who began serving after December 31, 2017. Automatic enrollment contributions are deducted from employees' basic salary per pay period and deposited into their TSP accounts. Automatically enrolled participants may make a contribution election at any time to change or stop their TSP contributions.

Basic Pay (Civilian)—This pay is defined in 5 United States Code (USC) 8331(3).

Basic Pay (Uniformed Services)—This refers to compensation payable under sections 204 and 206 of USC title 37. Section 204 pay is pay for active duty; section 206 pay (e.g., inactive duty for training (IDT) pay) is pay earned by members of the Ready Reserve (including the National Guard).

Beneficiary Participant Account—TSP account established in the name of a spouse beneficiary of a deceased TSP participant.

Blended Retirement System (BRS)—The retirement system for members of the uniformed services who began service on or after January 1, 2018, or who opted into the system.

Bond—A debt security issued by a government entity or a corporation to an investor from whom it borrows money. The bond obligates the issuer to repay the amount borrowed (and, traditionally, interest) on a stated maturity date.

Bonus Pay (Uniformed Services)—Generally, a type of special pay with its own rules for TSP contribution election purposes.

Catch-Up Contribution Limit—An annual dollar limit, established under Internal Revenue Code (IRC) section 414(v), that limits the amount of additional employee contributions that a participant turning age 50 or older can make to employer-sponsored plans like the TSP. It is separate from both the elective deferral limit imposed on regular employee contributions and the IRC section 415(c) limit imposed on employee contributions (tax-deferred, after-tax, and tax-exempt), Agency/Service Automatic (1%) Contributions, and Agency/Service Matching Contributions.

Civil Service Retirement System (CSRS)—The term "CSRS" refers to the retirement system for federal civilian employees who were hired before January 1, 1984. CSRS refers to the Civil Service Retirement System, including CSRS Offset, the Foreign Service Retirement and Disability System, and other equivalent government retirement plans.

Contribution—A deposit made to the TSP by a participant through payroll deduction or on behalf of the participant by his or her agency or service.

Contribution Allocation—A participant's choice that tells the TSP how contributions, rollovers, and loan payments that are going into his or her account should be invested among the TSP funds.

Contribution Election—A request by a participant to start contributing to the TSP, to change the amount of his or her contribution to the TSP each pay period, or to terminate contributions to the TSP.

Credit Risk—The risk that a borrower will not make a scheduled payment of principal and/or interest.

Currency Risk—The risk that the value of a currency will rise or fall relative to the value of other currencies. Currency risk could affect investments in the I Fund because of fluctuations

in the value of the U.S. dollar in relation to the currencies of the more than 20 countries in the EAFE index.

Designation of Beneficiary—The participant’s formal indication of who should receive the money in his or her account in the event of his or her death. Participants must use Form TSP-3, *Designation of Beneficiary*. (A will is not valid for the disposition of a participant’s TSP account.)

Disburse—To pay out money, as from the TSP.

Elective Deferral Limit—An annual dollar limit, established under the Internal Revenue Code (IRC) section 402(g), that limits the tax-deferred contributions and Roth contributions a participant can elect to make to employer-sponsored plans like the TSP. The limit can change each year.

Eligible Employer Plan—A plan qualified under Internal Revenue Code (IRC) § 401(a), including a § 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; an IRC § 403(a) annuity plan; an IRC § 403(b) tax-sheltered annuity; and an eligible IRC § 457(b) plan maintained by a government employer.

Federal Employees Retirement System (FERS)—The term “FERS” refers to the retirement system for federal civilian employees who were hired on or after January 1, 1984. FERS refers to the Federal Employees Retirement System, the Foreign Service Pension System, and other equivalent government retirement plans. FERS does not include the Retirement Plan for Employees of the Federal Reserve System.

Fixed Income Investments—Generally refers to bonds and similar investments (considered debt instruments) that pay a fixed amount of interest.

Incentive Pay (Uniformed Services)—Pay set forth in Chapter 5 of USC title 37 (e.g., flight pay, hazardous duty pay).

Index—A broad collection of stocks or bonds which is designed to match the performance of a particular market. For example, the Standard & Poor’s 500 (S&P 500) is an index of large and medium-sized U.S. companies.

Index Fund—An investment fund that attempts to track the investment performance of an index.

Inflation Risk—The risk that investments will not grow enough to offset the effects of inflation.

In-Service Withdrawal—A disbursement made from a participant’s account which is available only to a participant who is still employed by the federal government, including the uniformed services.

Installment Payments—See “TSP Installment Payments.”

Interfund Transfer (IFT)—An IFT allows the participant to redistribute all or part of his or her money already in the TSP among the different TSP funds. For each calendar month, the

participant’s *first two* IFTs can redistribute money in his or her account among any or all of the TSP funds. After that, for the remainder of the month, the participant’s IFTs can *only* move money into the Government Securities Investment (G) Fund (in which case, the participant will increase the percentage of his or her account held in the G Fund by reducing the percentage held in one or more of the other TSP funds). An IFT does not change the way new contributions, transfers or rollovers into the TSP, or loan payments are invested.

Investment Allocation—A participant’s choice that tells the TSP (1) how money going into his or her account should be invested in the TSP funds (contribution allocation), and/or (2) how money already in the TSP account should be invested in the TSP funds (interfund transfer). An investment allocation can be made at tsp.gov in My Account, or by calling the toll-free ThriftLine at 1-877-968-3778. (See “Contribution Allocations and Interfund Transfers” on page 14.)

IRS Life Expectancy Tables—If you elect to receive installment payments and choose to have us calculate their amount based on life expectancy, we will use these tables. IRS Single Life Table, Treas. Reg. § 1.401(a)(9)-9, Q&A 1, is used for participants who have not yet turned 72 years old by the end of the calendar year in which the calculation is made. For participants who turn age 72 before the end of that year, the Uniform Lifetime Table, Treas. Reg. § 1.401(a)(9)-9, Q&A 2, is used.

Market Risk—The risk of a decline in the market value of stocks or bonds.

Matching Contributions—See “Agency/Service Matching Contributions.”

My Account—The secure section of tsp.gov, where you can log in to your account to find out your account balance and perform certain transactions.

Nonpay Status—Actively employed by the federal government or uniformed services but not receiving regular pay because of furlough, suspension, leave without pay (including leave without pay to perform military service), or pending resolution of a grievance or appeal.

Participant Statements—Statements that are made available to each TSP participant after the end of each of the first three calendar quarters and after the end of each calendar year. All statements show the participant’s account balance (in both dollars and shares) and the transactions in his or her account since the previous statement. Annual statements also summarize the financial activity in the participant’s account during the year covered and provide other important account data such as the participant’s personal investment performance, primary beneficiary information, and account profile.

Pay Status—Actively employed by the federal government or uniformed services and receiving regular pay.

Personal Identification Number (PIN)—A number that the participant can use (in conjunction with his or her TSP account number) to access his or her own account on the ThriftLine. The initial PIN is computer-generated and is sent to the participant shortly after the participant's first contribution is received by the TSP.

Post-Separation Withdrawal—A distribution from a participant's account that is available only to participants who have left federal service or the uniformed services. Sometimes referred to as a "post-employment" withdrawal. (See also "Withdrawal.")

Prepayment Risk—The probability that as interest rates fall, bonds that are represented in the index will be paid back early, thus forcing lenders to reinvest at lower rates.

Qualified Earnings—Earnings on Roth contributions that are eligible to be paid out tax-free at withdrawal. Earnings are considered "qualified" as long as the following two requirements are met: (1) it has been 5 years since January 1 of the calendar year the participant made the first Roth TSP contribution AND (2) the participant is at least age 59½, permanently disabled (or deceased).

Reamortize—Adjust the terms of a loan to change the loan payment amount or to shorten or lengthen the repayment period.

Required Minimum Distribution—The amount of money, based on a participant's age and previous year's TSP account balance, that the IRS requires be distributed to a participant each year after the participant has reached age 72 and is separated from service.

Risk (Volatility)—The amount of change (both up and down) in an investment's value over time.

Roth Balance—The portion of your TSP account made up of Roth (after-tax) contributions and accrued earnings. Portions of this balance may have originated from tax-exempt pay.

Roth Contributions—Contributions from pay that has already been taxed (or from tax-exempt pay) and that has been deposited to a Roth balance.

Roth IRA—An individual retirement account that is described in § 408A of the Internal Revenue Code (IRC). A Roth IRA provides tax-free earnings. You must pay taxes on the funds you transfer from your traditional balance to a Roth IRA; the tax liability is incurred for the year of the transfer.

Securities—A general term describing a variety of financial instruments, including stocks and bonds.

SIMPLE IRA—Savings Incentive Match Plan for Employer, an employer-sponsored retirement plan available to small businesses. A TSP participant can transfer money from a SIMPLE IRA to the TSP, as long as he or she participated in

the SIMPLE IRA for at least two years. However, a participant cannot transfer an amount from a TSP account into a SIMPLE IRA.

Single Withdrawal—A payment made at one time, sometimes referred to as a "lump sum."

Special Pay (Uniformed Services)—Pay set forth in Chapter 5 of United States Code (USC) title 37 (e.g., medical and dental officer pay, hardship duty pay, career sea pay).

Stocks—Equity securities issued as ownership in a publicly held corporation.

Tax-Exempt Contributions—Contributions that can be made to the TSP by members of the uniformed services from pay that is covered by the combat zone tax exclusion.

ThriftLine—The TSP's automated voice response system. It provides general news about the TSP and allows participants to access certain information and perform some transactions over the telephone. You can also use the ThriftLine to contact Participant Service Representatives at the TSP. To access your account through the ThriftLine, you will need your TSP account number and ThriftLine PIN.

Time Horizon—The investment time you have until you need to use your money.

Traditional Balance—The portion of your TSP account made up of your pre-tax (and any tax-exempt) TSP contributions, plus agency contributions, and accrued earnings.

Traditional Contributions—Contributions from pay that has not yet been taxed. Also referred to as "tax-deferred," "pre-tax," or "non-Roth" contributions. Traditional contributions also include contributions to a traditional balance from tax-exempt pay earned in a combat zone.

Traditional IRA—A traditional individual retirement account described in § 408(a) of the Internal Revenue Code (IRC), or an individual retirement annuity described in IRC § 408(b). It does not include a Roth IRA, a SIMPLE IRA, or a Coverdell Education Savings Account (formerly known as an education IRA.)

TSP Installment Payments—Payments that the participant elects to receive each month, quarter, or year from his or her TSP account after separating from service. (Note: In this case, money remains in the TSP account and is paid out directly from the account.)

Uniformed Services Members—**1.** Active-duty members of the Army, Navy, Air Force, Marine Corps, and Coast Guard. **2.** Members of the Ready Reserve and National Guard in any pay status. **3.** Active-duty members of the commissioned corps of the National Oceanic and Atmospheric Administration and then commissioned corps of the Public Health Service.

User ID—A combination of letters, numbers, and symbols that you create to log in to My Account on tsp.gov.

Vesting—Receiving ownership of all money in an account. Vesting only applies to the Agency/Service Automatic (1%) Contributions (and their earnings) and occurs after a participant works in the federal government or uniformed services for a certain number of years. All years of service in a position eligible for the TSP count toward vesting, even if the participant doesn't contribute to the TSP during that time. Civilian service does not count toward vesting in a uniformed services (BRS) account, and uniformed service does not count toward vesting in a civilian account.

Volatility—See “Risk.”

Withdrawal—A general term for a distribution that a participant requests from his or her account. (Includes in-service and post-separation withdrawals.)

Appendix: Getting More Information

TSP forms and materials are available at tsp.gov, from your agency or service, or from the toll-free ThriftLine at 1-877-968-3778 or the TDD at 1-877-847-4385. (Callers outside the U.S. and Canada who cannot use the toll-free numbers should call 404-233-4400.)

Topic	Where to get information	How to do it	Whom to contact if you are:	
			An active participant	A separated participant
Account balance	tsp.gov; ThriftLine; quarterly or annual participant statement	Use My Account (tsp.gov) or access your account on the ThriftLine	TSP	TSP
Account number	Summary p. 21	Use My Account (tsp.gov) or contact participant service rep.	TSP	TSP
Address (change of)	Summary p. 22	Active participants: Contact your agency or service Separated participants: My Account (tsp.gov)	Your agency or service	TSP
Annuity	Summary p. 18; Web Calculator; TSP Booklet, <i>Withdrawing From Your TSP Account for Separated and Beneficiary Participants</i> ; Fact Sheet, <i>Annuities</i>	Use appropriate sections of the online withdrawal tool	TSP	TSP before purchase; annuity vendor afterwards
Bankruptcy	Fact Sheet, <i>Bankruptcy Information</i>		Your agency or service	TSP
Basic annuity for FERS and CSRS employees	Your personnel office or the Office of Personnel Management (opm.gov)		Your Personnel or Benefits Office	Office of Personnel Management
Basic annuity for the uniformed services	Your service		Your service	Your service
Beneficiary participant accounts	tsp.gov; TSP Booklet, <i>Your TSP Account: A Guide for Beneficiary Participants</i>		TSP	TSP
Combining a uniformed services and a civilian TSP account	See information and instructions on Form TSP-65	Use Form TSP-65	TSP	TSP
Contribution allocations	Summary p. 14; information and instructions on tsp.gov	Use My Account (tsp.gov) or ThriftLine Account Access	TSP	TSP
Contribution limits	Summary p. 5–6; Web Calculator, <i>How Much Can I Contribute?</i> ; Fact Sheet, <i>Annual Limit on Elective Deferrals</i>		Your agency or service	
Contributions	Summary p. 3–4; information and instructions on Form TSP-1 (TSP-U-1)	Use Form TSP-1 (TSP-U-1) or your agency's or service's electronic version	Your agency or service	
Contributions (toward the catch-up limit)	Summary p. 3–4; Fact Sheet, <i>Contributions Toward the Catch-Up Limit</i>	Use Form TSP-1 (TSP-U-1 for uniformed services) or your agency's or service's electronic version. (Note: Participants turning 50 or older should add any contributions toward the catch-up limit in the same place as their other TSP contributions.)	Your agency or service	
Court orders and legal processes	TSP Booklet, <i>Court Orders and Powers of Attorney</i> ; Tax Notice, <i>Tax Treatment of TSP Payments Made Under Qualifying Orders</i>	Send qualifying order to the TSP to begin process	TSP	TSP
Death benefits	TSP Booklet, <i>Death Benefits</i> ; Tax Notice, <i>Important Tax Information About TSP Death Benefit Payments</i>	Use Form TSP-17, <i>Information Relating to Deceased Participant</i>	Your agency or service or the TSP	TSP
Designation of beneficiary	TSP Booklet, <i>Death Benefits</i> ; info and instructions on Form TSP-3	Use Form TSP-3, <i>Designation of Beneficiary</i>	TSP	TSP

Appendix: Getting More Information (continued)

Topic	Where to get information	How to do it	Whom to contact if you are:	
			An active participant	A separated participant
Fund information for TSP funds	Summary p. 10–14; Fund Information sheets (web)		TSP	TSP
In-service withdrawals	Summary p. 17; TSP Booklet, <i>In-Service Withdrawals</i> ; Tax Notice, <i>Important Tax Information About Payments From Your TSP Account</i>	Use My Account (tsp.gov)	TSP	
Interfund transfers	Summary p. 14; information and instructions at tsp.gov	Use My Account (tsp.gov) or access your account on the ThriftLine	TSP	TSP
Loan payments	Summary p. 16; TSP Booklet, <i>Loans</i> ; Fact Sheet, <i>Effect of Nonpay Status on Your TSP Account</i> ; Web Calculator, <i>Loans</i>	For payments in addition to those made by your agency or service, use the TSP's <i>Loan Payment Coupon</i> (Form TSP-26)	Your agency or service or the TSP	
Loans (general)	TSP Booklet, <i>Loans</i>	Use My Account (tsp.gov) or Form TSP-20	TSP	
Name changes	tsp.gov	Separated participants only: Use Form TSP-15; Active participants: Your agency or service	Your agency or service	TSP
Participant statements (quarterly and annual)	Summary p. 21	Obtain a copy from My Account at tsp.gov, or use the web to request mailed quarterly statements or web-only annual statements	Agency/Service or service for personal, contribution, and loan payment info.; the TSP for other info.	TSP
Password	Summary p. 21	Use My Account (tsp.gov) or contact Participant Service Rep.	TSP	TSP
Personal Identification Number (PIN)	Summary p. 21	Use ThriftLine Account Access or contact Participant Service Representative	TSP	TSP
Required minimum distributions (RMD)	Tax Notice, <i>Important Tax Information About Your TSP Withdrawal and Required Minimum Distributions</i>		TSP	TSP
Shares/share prices	Fact Sheet, <i>Your Shares in the TSP Funds</i>	Obtain current prices from web or ThriftLine; web for historical share prices		
ThriftLine	Web/ThriftLine Information Card	1-877-968-3778 TDD: 1-877-847-4385		
Transfers into the TSP	Summary p. 9–10; info. and instructions on Form TSP-60/60-R	Use Form TSP-60 or TSP-60-R	TSP	TSP
User ID	Summary p. 21	Use My Account (tsp.gov)	TSP	TSP
Website	Web/ThriftLine Information Card	tsp.gov		
Withdrawals after you leave service	TSP Booklet, <i>Withdrawing From Your TSP Account for Separated and Beneficiary Participants</i> ; Tax Notice, <i>Important Tax Information About Payments From Your TSP Account</i>	Use My Account (tsp.gov)	TSP	TSP
Withholding on in-service and post-separation withdrawals	Tax Notice, <i>Important Tax Information About Payments From Your TSP Account</i>	Use My Account (tsp.gov)	TSP	TSP

Contact Information

TSP Website: tsp.gov

ThriftLine: 1-877-968-3778
(For calls outside the U.S., Canada, and most U.S. territories, use 404-233-4400.)

TSP Mailing Address: Thrift Savings Plan
P.O. Box 385021
Birmingham, AL 35238

Text Telephone (TDD): 1-877-847-4385

TSP Fax: 1-866-817-5023

